

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS
RAJYA SABHA
UNSTARRED QUESTION - 1696
ANSWERED ON – 15/03/2023

DELAYED ROAD PROJECTS

1696: SHRI RAJMANI PATEL:

Will the Minister of **ROAD TRANSPORT AND HIGHWAYS** be pleased to state:

- (a) whether it is a fact that road transport and highways sector has the highest number of delayed projects;
- (b) if so, complete details of the delayed projects, project-wise; and
- (c) whether the original cost of road projects have been increased manifold and if so, details thereof with anticipated cost of these projects?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) and (b) As of February, 2023, there are 1,801 ongoing projects, of which 725 projects are running behind schedule across the country due to protracted monsoon in many States, above average rainfall in some States, Covid-19 pandemic, increase in price of raw materials (mainly steel), issues/bottlenecks relating to land acquisition, statutory clearances/permissions, utility shifting, encroachment removal, law & order, non-availability of soil/aggregate, financial crunch of Concessionaire/Contractor, poor performance of Contractor/Concessionaire, etc.

(c) Additional cost is not incurred in all delayed projects. In BOT projects, there is no cost escalation due to delay as escalation cost is absorbed by the Concessionaire. For other projects, if delay is attributable to the Project Authority, price escalation is paid as per contract conditions, which may or may not result in additional cost, depending upon final value of price escalation determined on actual completion of project and final settlement of bills. However, if delay is attributable to the Contractor, damages are imposed and price escalation is not paid, and there is in no additional cost due to delay.
